[*English*]

Agitation by Bank Employees

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*252. SHRI HARIN PATHAK:
SHRI GURUDAS KAMAT:

Will the Minister of FINANCE be pleased to state:

(a) whether bank employees have decided to go on a nationwide agitation;

(b) if so, the details thereof and the reasons therefor;

(c) whether there is any proposal to have negotiations with the Trade Union of Banking Industries for a new bipartite settlement;

(d) if so, the details in this regard; and

(e) if not, the reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (e). A statement is laid on the Table of the House.

STATEMENT

(a) and (b). The Indian Banks Association (IBA) has reported that National Confederation of Bank Employees (NCBE) has given call for a day's strike on the 27th March, 1992 for realisation of/in support of the following issues/demands:

1. Rejection of alleged harmful recommendations of Narsimham Committee on Financial System;

2. Nationalisation of remaining private banks;

3. Merger of RRBs with sponsor banks and full implementation of NIT Award;

4. Waiver of restrictions on recruitment;

5. Absorption of deposit collectors as per award;

6. Introduction of pension as 3rd retiral benefit;

7. Extension of SBI/IOB package of benefits to other banks;

8. Extension of conveyance allowance to workman staff.

(c) to (e). The last wage-settlement (Fifth Bipartite Settlement) signed in the banking industry in 1989 was for 5 years w.e.f. 1.11.1987 and would be operative till 31st October, 1992. In terms of the settlement, the unions may submit their charter of demands to the IBA six months before the settlement expires. The negotiations on such charter of demand would commence before the last three months of the expiry of the settlement. The unions with which the IBA has bipartite relationship have not yet submitted their charter of demands. The negotiations will be started by the IBA only after such a charter of demands is received.

SHRI HARIN PATHAK: Sir, the All India Bank Employees Association as decided by its Central Committee at a recent meeting at Cochin, is organizing a massive rally on 27th March in Delhi against 'the Recommendation of Narasimham Committee on Financial System'.

Sir, through you I would like to know from the hon. Minister (a) whether it is a fact that some of the recommendations of the Committee, if implemented, will weaken the Indian Banking industry and harm the interests of the nation, especially weaker section of the society, and agriculture, small scale and rural artisans, and (b) whether the Government is going to accept those recommendations.

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): Mr. Speaker, Sir, I do not share the apprehension of the hon.

Member that the Report of the Committee that he has referred to will in any way weaken the efficacy of the banking system to achieve the goals and objectives that our nation has set for the banking industry.

As far as the Report is concerned, this Report is under the consideration of the Government. Therefore, through you, I would like to appeal to all the people that our banking system today is in need of the organisation. Its profitability today is such that we cannot be satisfied with the *status quo*. In this, we need the cooperation of the House and we need the cooperation of all patriotic sections of our society. It is only on the basis of a viable banking system we can achieve those objectives. So, I do not believe there is any basis for anybody to go on strike. We will take care of all the interests of the employees.

SHRI HARIN PATHAK: I would like to know from the hon. Minister whether it is true that if the Narasimham Commitee's suggestions are implemented, the public sector banks would become interminably sick and there would be a large number of retrenchment in the staff.

SHRI MANMOHAN SINGH: Sir, the answer is 'No'. The basic objective of the report is to make Indian banking system viable and without going into the details I would like to inform the House that many of our public sector banks today, financially, are not in a position in which a sound bank should be. The whole purpose of the report is to impart a greater element of dynamism into our banking system so that our banking system can perform the social and economic task which our nation has set for our banks.

SHRIMATI MALINI BHATTACHARAYA: Sir, since it is quite evident from the hon. Minister's reply that the recommendations of the Narasimham Committee are one of the main issues in this strike by the bank employees, I would like to ask the hon. Minister, through you, whether the Government would consider a full discussion of the report in the House before implementing any of these recommendations.

SHRI MANMOHAN SINGH: Sir, the report is now a public property. It has been laid on the Table of the House. We will hold discussions with various groups. I propose to discuss it with Bank Chairmen and I will be happy to discuss it with bank employees also. If considered necessary we can also have a discussion.

SHRIMATI MALINI BHATTACHARAYA: Sir, I was asking the Minister whether any of the recommendations would be implemented before such a discussion is held.

SHRI MANMOHAN SINGH: No.

SHRI NIRMAL KANTI CHATTERJEE: Sir, it has been implemented already without any discussion. The SLR has been reduced from 38.5 per cent to 30 per cent. That is part of the recommendations.

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI JAGDISH TYTLER): You object everything that the Government wants to do.

SHRI NIRMAL KANTI CHATTERJEE: I think you know that even you will be affected by that.

SHRI JAGDISH TYTLER: You want to put spokes in everything which the Government wants to do.

SHRI NIRMAL KANTI CHATTERJEE: Yes, we will put a spoke to every bad thing that the Government wants to do.

(*Interruptions*)

SHRI JAGDISH TYTLER: You mislead everyone.

(*Interruptions*)

SHRI NIRMAL KANTI CHATTERJEE: Sir, Please see that the Minister behaves as a Minister and not in this fashion.

MR. SPEAKER: I expect the Finance Minister to reply and none else.

SHRI RUPCHAND PAL: Sir, this is a very serious matter. How can another Minister stand up like this?

MR. SPEAKER: It was not necessary for the Members to talk to other Members also.

[*Translation*]

SHRI DAU DAYAL JOSHI: Three Finance Ministers are sitting here (*Interruptions*)

MR. SPEAKER: Joshi Ji Sir, you are speaking without permission.

[*English*]

I expect the Members not to talk to each other. I expect the Members to get up and speak with the permission of the Chair. I expect that the question should be relevant to the point and only the Minister concerned should reply and none else.

[*Translation*]

SHRI GEORGE FERNANDES: Mr. Speaker, Sir the hon. Minister has stated that the Narasimham Committee report is now public property and the interests of the workers and the public sector banks will be protected. According to the report of the Reserve Bank published a month back, till the end of September there was a 17.4% increase in the deposits in the country within a period of 12 months whereas the money deposited in the foreign banks registered an increase of 34.3% which is almost double. The increase in the deposits of Indian Banks is 11.1% which is only one third of the increase in the deposits of foreign banks. The report given by the Narasimham Committee reflects the sad state of affairs in Indian Banks. What steps are being contemplated to deal with this state of affairs?

[*English*]

SHRI MANMOHAN SINGH: Mr. Speaker, Sir, it is my honest conviction that the Indian banking system needs more competition. The service conditions in the Indian banks today are not what those who deal with the banks feel ought to be. That is why, people go to the foreign banks.

I believe, the time has come when we must face up to the harsh realities. I receive a large number of representations from the Indian workers settled in the Middle East. They write to me, "Well, if we send our money to the Indian banks, it takes two months. In the *havala* market, it takes 48 hours." How, the House can make up its mind whether this country can live with the banking system when these transactions take three months. This is the sad state of affairs.

I think, all sections of this House must reflect that the banking system is the nerve centre of the economic system. If the banking system is in this shape, this country will remain in the present sad state of affairs. (*Interruptions.*)

[*Translation*]

SHRI GEORGE FERNANDES: Mr. Speaker, Sir, please listen to me, my question has not been replied. The hon. Minister has admitted that foreign Banks will be brought to India and Indian Banks will be closed. My question was as to what measures Government proposes to take to improve our Banking system? Behaviour of Bank employees is a separate thing. (*Interruptions*)

[*English*]

MR. SPEAKER: Please do not forget that you are being watched.

Tugs in Cochin Port

*254. PROF. K.V. THOMAS: Will the Minister of SURFACE TRANSPORT be pleased to state:

(a) the number of tugs in Cochin Port at present;

(b) the number of those which are operational;

(c) the number of tugs which are proposed to be replaced in future;

(d) whether there is any proposal to purchase new tugs for the Cochin Port; and

(e) if so, the details thereof?

THE MINSTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI JAGDISH TYTLER): (a) At present, there are four tugs at Cochin Port.

(b) All the four Tugs are operational.

(c) Out of four Tugs, two are proposed to replaced.

(d) and (e). It is proposed to procure two tugs in replacement of existing two tugs 'Bristow' and 'Shaktan'. Orders for these tugs have already been placed.

PROF. K.V. THOMAS: I am thankful to the hon. Minister for taking immediate action for giving the order to replace the old two tugs.

I would like to know from the hon. Minister when will the two tugs which are under manufacture, be commissioned and what will be the cost effect?

SHRI JAGDISH TYTLER: I would like to inform the hon. Member that delivery period for the first tug is April 1993 and the second tug is July, 1993. He will also be happy to know that we are one month ahead of the schedule.

SHRI P.C. THOMAS: The hon. Minister visits Cochin port two times in a month. He has seen how potential is the Cochin port to compare with Colombo. I would like to know what modernisation steps the hon. Minister proposes to take in regard to Cochin port.

SHRI JAGDISH TYTLER: We are developing container terminal. We have already relaxed cabotage law. In view of these two relaxations and with the new development, we expect to make this port competitive to the Colombo port.

WRITTEN ANSWERS TO QUESTIONS

[Translation]

Loans for Developmental Projects in Bihar

*250. SHRI LALIT ORAON: Will the Minister of FINANCE be pleased to state:

(a) the amount of loans sanctioned by the Union Government to the Government of Bihar for developmental projects during 1990-91 and 1991-92;

(b) whether any complaints have been received that these loans have not been utilised properly; and

(c) if so, the action taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHANTARAM POTDUKHE): (a) The loans Sanctioned by the Government of India to Bihar under various heads like Central assistance for State Plan, collection of Small Savings etc., are Rs. 948.83 crores during 1990-91 and Rs. 729.61 crores, so far, during 1991-92.

(b) Some complaints have been received regarding improper utilisation of development funds.

(c) Central assistance is given for the annual plan of the State in the form of loans and grants. The funds meant for development purposes in a State are subject to audit